

# Legislative Fiscal Report

September 2007 Special Session



Presented to the Sixtieth Legislature

Submitted by the  
**Legislative Fiscal Division**

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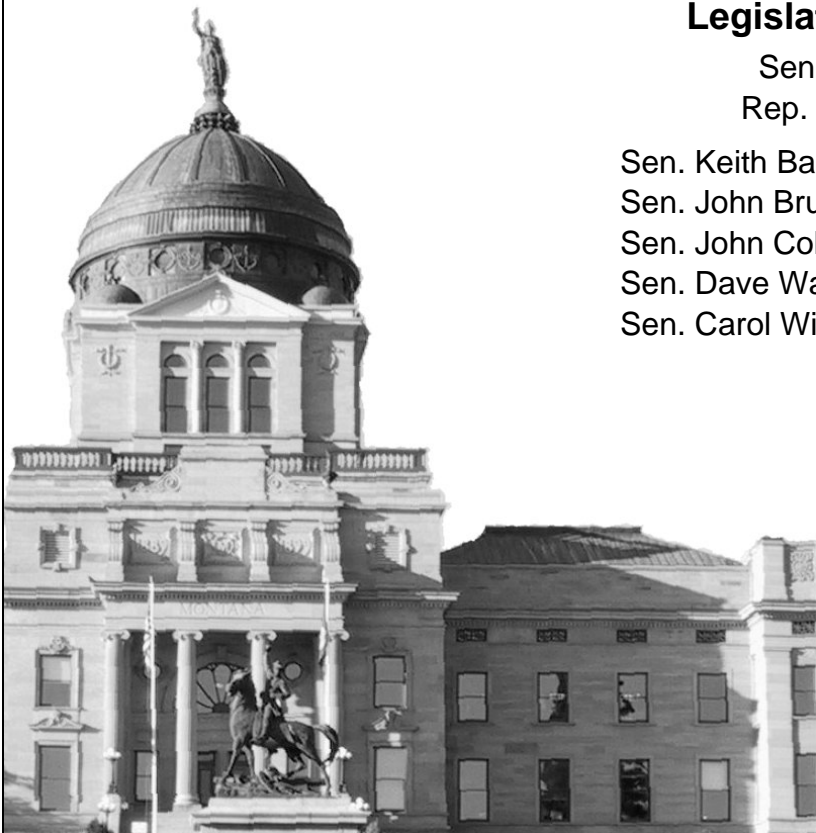
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**Legislative Fiscal Analyst**  
CLAYTON SCHENCK

September 25, 2007

Members of the 60<sup>th</sup> Legislature:

In accordance with 5-12-302, MCA, I submit for your consideration the Legislative Fiscal Report for the September 2007 special session. There are two primary features of this report. The first is a summary of legislative fiscal action taken in the special session, including a discussion of each bill and a discussion of the actions taken to fund wildfires for the 2009 biennium. The second is a revised general fund balance projection for the 2009 biennium, reflecting actions taken in the September special session.

This report is intended as a reference document and historical archive of legislative action for the use of legislators, the public, and state agencies.

Respectfully submitted,

Clayton Schenck  
Legislative Fiscal Analyst



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## INTRODUCTION

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### PURPOSE OF REPORT

On September 5, 2007, the 60<sup>th</sup> Legislature convened in response to a special session call by Governor Schweitzer to deal with the cost of wildfire suppression during the 2009 biennium. The Governor's special session call was limited specifically to:

- Appropriations necessary and anticipated for fire suppression, disaster response, and recovery activities in fiscal years 2008 and 2009
- Additional spending authority for emergencies and disasters and elimination of time restrictions applicable to declarations of disaster and emergency during fire season
- The "feed bill" appropriation for the operations of the special session

The purpose of this document is to report to the 60<sup>th</sup> Legislature on the fiscal actions of the September 2007 Special Session and the fiscal status of state government through the 2009 biennium. The legislature has not directly appropriated funding for wildfire suppression, and high costs incurred in the 2007 fire season and the conclusion that the state could not get through FY 2008 without legislative intervention, prompted the Governor to call a special session to request appropriation authority to pay these costs. Therefore, this report is intended to provide to the legislature:

- A bill-by-bill summary of the fiscal actions of the legislature
- The actions taken by the legislature to address wildfire suppression costs
- A status of the general fund after the impacts of legislative action

### BACKGROUND – HOW DID WE GET HERE?

The legislature has the sole constitutional authority to authorize (appropriate) funding for state programs and services. The 60<sup>th</sup> Legislature passed a \$4 billion general fund budget for the 2009 biennium in the May 2007 Special Session, and left a projected general fund reserve of approximately \$184 million. An additional \$61 million was received by the end of FY 2007, as projected during the session by the Legislative Fiscal Division. Entering the September special session, along with other adjustments, the legislature had a minimum projected unobligated general fund balance of \$207 million as a reserve for unanticipated events.

The legislature had never provided upfront funding through a legislative appropriation for fire suppression costs, and the 2007 session was no exception. Therefore, while there are available funds of over \$200 million, there was no specific legislative authority to pay for the wildfire costs. The 60<sup>th</sup> Legislature did consider upfront funding for wildfires, but ultimately no upfront funding was provided.

Although the legislature has never provided upfront funding for fire suppression costs, the state has usually been able to pay for fire costs, partially by using Governor's emergency funds, and partially by using a convoluted process of moving appropriations between programs and fiscal years on a temporary basis, and through general fund loans. They then request reimbursement through a supplemental appropriation in the next legislative session. This practice has avoided special sessions

in the past, albeit with some close calls, and in two cases due to a large bailout by the federal government. The issue becomes one of cash flow, and in years of high fire costs, the availability of sufficient resources to borrow from until the next legislative session.

The cost of wildfire suppression has risen dramatically in the past ten years, and the average state cost for wildfire suppression has grown to over \$19 million per year. Projections are that firefighting costs will continue to increase, and that the state will have more severe fire seasons. With increasing cost and severity, the non-budgeted policy for wildfire costs cannot be sustained in the future. The 2007 wildfire season has been severe, and particularly since it occurred in the first year of the biennium, it makes it more difficult to use accounting tactics to cover the costs until the 2009 session. As mentioned, the Governor concluded that a special session was necessary to pay 2007 fire costs, and issued the call on August 27.

The Governor's proposal, introduced in HB 1, totaled \$61 million in potential disbursements, when combining the appropriations for wildfire suppression (\$42 million for FY 2008 and \$10 million for FY 2009) and a \$9 million increase in statutory appropriation authority for the Governor's emergency fund. The latter would increase maximum available through the Governor's emergency fund from \$16 million to \$25 million. The proposal also asked the legislature to extend the durational limit on an emergency or a disaster relating to fires.

## SESSION SUMMARY

The legislature introduced five bills during the course of the special session. Of those five bills, three ultimately were passed and approved:

- HB 1, as passed by the legislature, HB 1 appropriates \$42 million, with up to \$16 million to be used to replenish the Governor's emergency fund. It also provides for a study of state fire suppression methods and costs, and appropriates funding of \$200,000 general fund for the study, and requires a report by the Department of Natural Resources and Conservation on the implementation of certain past audit recommendations.
- HB 3 provides for the creation of a fire suppression account, transfers \$40 million general fund to the account, and statutorily appropriates the funds in the account for fire suppression activities beginning in FY 2009. This bill includes a provision that it will sunset at the end of FY 2009.
- HB 4 appropriates funding for the cost of holding the special session. The legislature provided \$132,319 general fund to fund the expenses of the special session. This amount covers all session-related costs, including the pre-session joint hearing. The amount was based on assumptions related to a two-day session which includes some costs incurred on the day preceding the start of the session. The special session was completed in one day so any amount remaining after final payment of bills will revert to the general fund.

As shown in Figure 1, the authority provided by the legislature in HB 1, HB 3, and HB 4 allows for up to \$82.3 million, dependent of course on the ultimate cost of FY 2008 fires and FY 2009 fires, and the final tally of costs of the special session.

Figure 1		
Bills Passed in the September 2007 Special Session		
Bill No.	Short Title	Appropriation or Transfer Authority
HB 1	Providing appropriations for fire suppression and study	\$42,200,000
HB 3	Establish fund for fire suppression costs	40,000,000
HB 4	Feed bill for special session	<u>132,319</u>
Total Special Session Disbursements		<u>\$82,332,319</u>

There were no bills introduced that were intended to directly impact state revenues. The special session began with a \$207 million projected general fund ending balance. After special session fiscal actions, the ending balance would be projected at \$125 million.

The following section (beginning on page 5) discusses in more detail the funding provided for wildfire suppression. A subsequent section (see page 7) provides an update of the general fund status following the September 2007 Special Session.





## FISCAL ACTIONS TO ADDRESS WILDFIRE SUPPRESSION COSTS

### INTRODUCTION

This section provides a detailed discussion of the funding for wildfire suppression that is provided by the legislature for the current biennium and the mechanism that can provide funding into the future biennia. As previously discussed, two bills were passed that provide funding for fire costs, HB 1 and HB 3.

### WILDFIRE SUPPRESSION FUNDING

#### FUNDING OF FY 2008 FIRE SUPPRESSION COSTS

The legislature addressed immediate issues regarding fire suppression funding for FY 2008 through the passage and approval of HB 1, including appropriations of \$39.0 million to the Department of Natural Resources and Conservation (DNRC) and \$3.0 million to the Department of Military Affairs (DMA) for FY 2008 fire suppression costs. A portion of the appropriations must be used to repay the Governor's emergency fund.

#### LFD COMMENT

#### Appropriations for FY 2008 are short of projected costs

The estimated cost of the FY 2008 wildland fire season during special session was \$44.9 million for both agencies. As shown in Figure 2, the appropriations in HB 1 totaling \$42.0 million leave the agencies at least \$2.9 million short for FY 2008. This shortfall and any other additional costs will most likely be covered by the Governor's emergency fund. After restoration of the fund, the maximum amount available for incidents, emergencies and disasters for the rest of the biennium would be \$13.1 million.

Figure 2

#### Funding of FY 2008 Fire Costs

Projected costs through 9/4/2007		\$104,949,744
HB 1 of September 2007 Special Session		
DNRC	(39,000,000)	
DMA	(3,000,000)	
		(42,000,000)
Anticipated Federal Reimbursement		
FEMA*	(24,338,372)	
Federal Cost Share	(35,646,996)	
		(59,985,368)
Net Remaining Costs		<u>\$2,964,376</u>

Note: \*Federal Emergency Management Agency

## **FUNDING OF FY 2009 FIRE SUPPRESSION COSTS**

The legislature addressed funding of FY 2009 wildland fire suppression costs by establishing a state special revenue fund for this purpose in HB 3. The fund is to be established with an immediate \$40.0 million transfer from the general fund. The fund will also receive all restitution paid by private parties shown to be responsible for wildland fires. In addition:

- In order to allow the next legislature the opportunity to consider this method of funding, the bill sunsets on June 30, 2009, and so is only applicable to FY 2009. To allow this funding mechanism to continue, the 2009 Legislature would need to repeal the sunset date.
- The funds are statutorily appropriated to the Department of Natural Resources and Conservation for fire suppression. Therefore, the Governor's emergency fund and/or supplemental appropriations (the two traditional methods for funding fire suppression) will only be necessary if state costs exceed \$40.0 million in FY 2009. The highest state costs ever incurred are almost \$45 million in FY 2008 (as of this writing).
- Interest earned on the balance in the account is retained in the account.

## **OTHER ACTIONS RELATED TO WILDFIRE SUPPRESSION**

HB 1 also includes the following provisions to provide for future discussion of the issues relating to the increase in the number and size of fires and the subsequent cost for suppression. This includes:

- The creation of a fire suppression committee of 12 legislators to conduct a comprehensive fire study. This study is to include a review of fire policies, suppression resources, impacts of private land development, and investigation of state and federal forest management practices on fire size and costs. A general fund appropriation of \$200,000 was provided to the Legislative Services Division for this study.
- A requirement of the Department of Natural Resources and Conservation (DNRC) to provide a written report to the 61st Legislature and the Governor detailing progress towards recommendations of the December 2004 legislative audit regarding wildland fire administration.



## 2009 BIENNIUM GENERAL FUND OUTLOOK - UPDATE

### INTRODUCTION

This chapter provides an analysis of the state's general fund following the actions taken by the legislature during the September 2007 Special Session. This analysis simply shows the projected fund balance before the September session and after. More detail regarding the general fund outlook, go to the *Legislative Budget Analysis – Special Session September 2007* or *Legislative Fiscal Report – 2009 Biennium (Volume 1)* prepared at the end of the regular session and May special session.

### 2009 BIENNIUM PROJECTION

Figure 3 shows the projected general fund balance for the 2009 biennium. Amounts shown include the revenue estimates included in HJ 2 plus legislation impacts and the cost of operating state government based on appropriations adopted by the 60<sup>th</sup> Legislature. Also included in this figure are estimated amounts by LFD staff for statutory appropriations, budgeted transfers, and reversions. The figure shows the anticipated general fund balance before and after action by the September 2007 Special Legislative Session.

As Figure 3 shows, the 2009 biennium ending general fund balance was projected to be a positive \$207.3 million before any legislative proposals or initiatives for wildfire costs were considered. It should be noted that this balance is based on no supplemental appropriations for FY 2009 but does include \$16.5 million for emergency appropriations.

Figure 3 also shows the projected general fund balance when the special session feed bill and the wildfire funding actions are included. The legislature increased general fund transfers and appropriations by \$82.3 million during the 2009 biennium. Appropriations for the Department of Natural Resources and Conservation are increased by \$39.0 million and the budget for the Department of Military Affairs is increased by \$3.0 million. A wildfire study was also funded at a cost of \$0.2 million. In addition, the legislature authorized a \$40.0 million transfer from the general fund to a state special revenue account. This account is statutorily appropriated and is to be used only in FY 2009 for wildfire costs. When all of these amounts are included, the projected ending fund balance for the 2009 biennium is \$125.0 million.

Figure 3

2009 Biennium General Fund Balance In Millions	
<b>Beginning Fund Balance</b>	<b>\$543.5</b>
<b>Revenues</b>	<b><u>3,645.4</u></b>
<b>Available Funds</b>	<b>\$4,188.9</b>
<b>Disbursements</b>	
General Appropriations	3,268.9
Statutory Appropriations	432.1
Transfers	235.2
Miscellaneous Appropriations	50.2
Supplementals	0.0
Session Costs	11.0
Reversions	(7.5)
<b>Totals Disbursements</b>	<b>3,989.8</b>
<b>Adjustments</b>	<b>8.2</b>
<b>Ending Fund Balance Before Special Session</b>	<b>\$207.3</b>
Special Session Feed Bill	0.132
Special Session Transfers & Appropriations	82.200
<b>Ending Fund Balance With Special Session Action</b>	<b>\$125.0</b>

## DETAILED GENERAL FUND BALANCE

Figure 4 shows the detailed general fund balance sheet by fiscal year based on budgeted revenues and disbursements, followed by a sub-table that shows the projected balance when legislative action is included.

Figure 4

<b>2009 Biennium General Fund Balance</b> <b>Action By the 60th Legislature With Preliminary Fiscal 2007 and Trigger Adjustments</b> <b>In Millions</b>						
	Actual Fiscal 2006	Preliminary Fiscal 2007	Estimated Fiscal 2008	Estimated Fiscal 2009	Preliminary 2007 Biennium	Estimated 2009 Biennium
<b>Beginning Fund Balance</b>	<b>\$299.792</b>	<b>\$422.210</b>	<b>\$543.542</b>	<b>\$273.061</b>	<b>\$299.792</b>	<b>\$543.542</b>
<b>Revenues</b>						
Current Law Revenue	1,708.166	1,829.872	1,797.764	1,875.209	3,538.038	3,672.973
Legislation Impacts	-	-	(27.861)	0.270	-	(27.591)
<b>Total Revenue</b>	<b>\$1,708.166</b>	<b>\$1,829.872</b>	<b>\$1,769.903</b>	<b>\$1,875.479</b>	<b>\$3,538.038</b>	<b>\$3,645.382</b>
<b>Total Funds Available</b>	<b>\$2,007.958</b>	<b>\$2,252.082</b>	<b>\$2,313.445</b>	<b>\$2,148.540</b>	<b>\$3,837.830</b>	<b>\$4,188.924</b>
<b>Disbursements</b>						
General Appropriations	1,441.188	1,566.962	1,614.569	1,654.289	3,008.150	3,268.858
Statutory Appropriations	120.226	149.222	265.028	167.095	269.448	432.123
Miscellaneous Appropriations	1.521	-	9.057	7.746	1.521	16.803
Non-Budgeted Transfers	24.277	42.822	127.561	107.618	67.099	235.179
Continuing Appropriations	-	-	2.946	-	-	2.946
Supplemental Appropriations	-	-	-	-	-	-
Language Appropriations	0.706	-	30.050	0.050	0.706	30.100
Feed Bill Appropriations	-	-	2.280	8.740	-	11.020
Carryforward Appropriations	-	-	0.329	-	-	0.329
Anticipated Reversions	(21.179)	(58.233)	(3.204)	(4.344)	(79.412)	(7.548)
<b>Total Disbursements</b>	<b>\$1,566.739</b>	<b>\$1,700.773</b>	<b>\$2,048.616</b>	<b>\$1,941.194</b>	<b>\$3,267.512</b>	<b>\$3,989.810</b>
<b>Adjustments</b>	(19.009)	(7.767)	8.232	-	(26.776)	8.232
<b>Reserved Ending Fund Balance</b>	<b>\$422.210</b>	<b>\$543.542</b>	<b>\$273.061</b>	<b>\$207.346</b>	<b>\$543.542</b>	<b>\$207.346</b>
<b>Unreserved Ending Fund Balance</b>	<b>\$422.210</b>	<b>\$543.542</b>	<b>\$273.061</b>	<b>\$207.346</b>	<b>\$543.542</b>	<b>\$207.346</b>
<b>Legislative Action September 2007 Special Session</b>						
Special Session Feed Bill			0.132	-	-	0.132
Wildfire Study			0.200	-	-	0.200
Department of Natural Resources			39.000	-	-	39.000
Department of Military Affairs			3.000	-	-	3.000
Transfer to Fire Fund			40.000	-	-	40.000
<b>Total Legislative Action</b>			<b>\$82.332</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$82.332</b>
<b>Unreserved Ending Fund Balance With Legislative Action</b>			<b>\$190.729</b>	<b>\$125.014</b>	<b>\$543.542</b>	<b>\$125.014</b>

Figures 3 and 4 both incorporate the financial impacts of the “trigger” mechanisms contained in HB 2 (general appropriations act) and HB 9 (\$400 tax rebate) adopted during the May 2007 Special Session. These two bills that contain fiscal policy “triggers” are dependent upon the amount of general fund revenue received in FY 2007.

HB 2 appropriates up to \$30.0 million to the Office of Public Instruction for distribution to schools for capital investment and deferred maintenance payments. This appropriation is contingent upon FY 2007 revenues exceeding \$1,762,355,000. Based on a letter of certification from the Department of Administration, total general fund revenues in FY 2007 were \$1,838,053,331. Therefore, the maximum amount of \$30.0 million is appropriated to the Office of Public Instruction in FY 2008 for distribution to public schools.



HB 9 contains a similar “trigger” except that the available funds are to determine tax credits to be claimed on individual income tax returns. This trigger is based on FY 2007 general fund revenues exceeding \$1,802,000,000. As stated above, the certified revenue amount was about \$1.838 billion which is \$36 million (when rounded to the nearest million) more than the trigger amount. This means that taxpayers will receive \$36 million in tax credits that will be claimed on their 2007 tax returns. Individual taxpayers will receive approximately \$140 in tax credits.

## **SUMMARY**

In summary, the September 2007 Special Legislative Session adopted \$82.3 million of additional transfers and appropriations for the 2009 biennium. With this amount included, the projected general fund balance at the end of the 2009 biennium will be \$125.0 million provided there are no supplemental appropriations needed for other state services.

2007 Montana Legislature

[About Bill -- Links](#)



HOUSE BILL NO. 1

INTRODUCED BY CALLAHAN  
BY REQUEST OF THE GOVERNOR

AN ACT PROVIDING RECOVERY FUNDS FOR THE STATUTORY APPROPRIATION FOR EMERGENCIES AND DISASTERS; PROVIDING FOR A STUDY OF STATE FIRE SUPPRESSION METHODS AND COSTS; REQUIRING A REPORT ON IMPLEMENTING AUDIT RECOMMENDATIONS; PROVIDING APPROPRIATIONS FOR FIRE SUPPRESSION AND FOR DISASTER RESPONSE AND RECOVERY ACTIVITIES; PROVIDING AN APPROPRIATION FOR THE FIRE SUPPRESSION STUDY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

AN ACT PROVIDING RECOVERY FUNDS FOR THE STATUTORY APPROPRIATION FOR EMERGENCIES AND DISASTERS; PROVIDING FOR A STUDY OF STATE FIRE SUPPRESSION METHODS AND COSTS; REQUIRING A REPORT ON IMPLEMENTING AUDIT RECOMMENDATIONS; PROVIDING APPROPRIATIONS FOR FIRE SUPPRESSION AND FOR DISASTER RESPONSE AND RECOVERY ACTIVITIES; PROVIDING AN APPROPRIATION FOR THE FIRE SUPPRESSION STUDY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1. Fire suppression committee -- study.** (1) There is a fire suppression committee established to conduct a comprehensive fire suppression study.

(2) The committee consists of six senators appointed by the committee on committees and six representatives appointed by the speaker of the house. Three senators and three representatives must be members of the majority party, and three senators and three representatives must be members of the minority party.

(3) The legislative services division shall provide staff assistance to the committee, and the committee may receive staff assistance from the legislative fiscal division and the legislative audit division. The committee shall conduct meetings in Miles City, Libby, Thompson Falls, Lewistown, and Hamilton.

(4) The study must include:

- (a) an investigation of firefighting operations in Montana, including operations on tribal land and private land, by the state and federal governments and the management policies affecting the success of those operations;
  - (b) an investigation of the efficient use of fire suppression resources, including equipment and firefighters;
  - (c) an investigation of impacts of operations on private land and on the effective use of private resources to fight fires; and
  - (d) an investigation of state and federal forest management policies and how those policies may contribute to an increased number of wildfires, greater safety risk to firefighters, or compromised effectiveness of fire suppression efforts.
- (5) The fire suppression committee shall complete the study by September 15, 2008, and report to the 61st legislature on its findings and recommendations, including any recommendations for legislation.

**Section 2. Report on implementing audit recommendations.** The department of natural resources and conservation shall prepare a report to the governor and the 61st legislature on its progress in implementing the 27 recommendations of the legislative audit division contained in the December 2004 performance audit entitled "Wildland Fire Administration".

**Section 3. Appropriations.** (1) There is appropriated \$39 million from the state general fund to the department of natural resources and conservation for wildfire suppression and for wildfire disaster response and recovery activities in Montana.

(2) There is appropriated \$3 million from the general fund to the department of military affairs for fiscal year 2008 for wildfire suppression and for wildfire disaster response and recovery activities in Montana.

(3) Of the \$42 million appropriated to the departments of natural resources and conservation and military affairs for fiscal year 2008, up to \$16 million is intended to be treated as the recovery of money previously expended under 10-3-312 in fiscal year 2008.

(4) The amounts appropriated in [this act] may not be used to purchase or lease capital assets on a long-term basis.

**Section 4. Appropriation.** There is appropriated from the state general fund to the legislative services division \$200,000 for the purpose of conducting the study provided for in [section 1].

**Section 5. Effective date.** [This act] is effective on passage and approval.

- END -

## 2007 Montana Legislature

[About Bill -- Links](#)

## HOUSE BILL NO. 3

INTRODUCED BY RIPLEY, HAWK

AN ACT CREATING A FIRE SUPPRESSION ACCOUNT TO BE USED FOR FIRE SUPPRESSION COSTS; PROVIDING FUNDING FOR THE ACCOUNT FROM REIMBURSEMENTS FROM PRIVATE PARTIES FOR FIRE SUPPRESSION COSTS; STATUTORILY APPROPRIATING THE MONEY IN THE ACCOUNT; TRANSFERRING FUNDS FROM THE STATE GENERAL FUND TO THE FIRE SUPPRESSION ACCOUNT; AMENDING SECTION 17-7-502, MCA; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1. Fire suppression account -- fund transfer.** (1) There is a fire suppression account in the state special revenue fund to the credit of the department of natural resources and conservation.

(2) The department of administration shall transfer from the state general fund to the account the amount necessary to achieve a \$40 million fund balance. The transfer must be made at the beginning of each fiscal year. The legislature may transfer money from other funds to the account.

(3) Funds received for restitution by private parties must be deposited in the account.

(4) Money in the account may be used only for the purpose of paying fire suppression costs.

(5) Beginning July 1, 2008, the money in the account is statutorily appropriated, as provided in 17-7-502, to the department for use as provided in this section.

(6) Interest earned on the balance of the account is retained in the account.

**Section 2.** Section 17-7-502, MCA, is amended to read:

**"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory appropriation is an appropriation made by permanent law that authorizes spending by a state agency without the need for a biennial legislative appropriation or budget amendment.

(2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with both of the following provisions:

(a) The law containing the statutory authority must be listed in subsection (3).

(b) The law or portion of the law making a statutory appropriation must specifically state that a statutory appropriation is made as provided in this section.

(3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-407; 5-13-403; 7-4-2502; 10-1-1202; 10-1-1303; 10-2-603; 10-3-203; 10-3-310; 10-3-312; 10-3-314; 10-4-301; 15-1-111; 15-1-121; 15-1-218; 15-23-706; 15-31-906; 15-35-108; 15-36-332; 15-37-117; 15-39-110; 15-65-121; 15-70-101; 15-70-369; 15-70-601; 16-11-509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-304; 18-11-112; 19-3-319; 19-6-404; 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-203; 20-8-107; 20-9-534; 20-9-622; 20-26-1503; 22-3-1004; 23-4-105; 23-4-202; 23-4-204; 23-4-302; 23-4-304; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 37-43-204; 37-51-501; 39-71-503; 41-5-2011; 42-2-105; 44-1-504; 44-12-206; 44-13-102; 50-4-623; 53-1-109; 53-6-703; 53-24-108; 53-24-206; 60-11-115; 61-3-415; 69-3-870; 75-1-1101; 75-5-1108; 75-6-214; 75-11-313; [section 1]; 77-1-108; 77-2-362; 80-2-222; 80-4-416; 80-5-510; 80-11-518; 82-11-161; 87-1-513; 90-1-115; 90-1-205; 90-3-1003; 90-9-306; and section 2, Chapter 6, Special Laws of May 2007.

(4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing, paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have statutory appropriation authority for the payments. (In subsection (3): pursuant to Ch. 422, L. 1997, the inclusion of 15-1-111 terminates on July 1, 2008, which is the date that section is repealed; pursuant to sec. 10, Ch. 360, L. 1999, the inclusion of 19-20-604 terminates when the amortization period for the teachers' retirement system's unfunded liability is 10 years or less; pursuant to sec. 4, Ch. 497, L. 1999, the inclusion of 15-38-202 terminates July 1, 2014; pursuant to sec. 10(2), Ch. 10, Sp. L. May 2000, and secs. 3 and 6, Ch. 481, L. 2003, the inclusion of 15-35-108 terminates June 30, 2010; pursuant to sec. 17, Ch. 593, L. 2005, the inclusion of 15-31-906 terminates January 1, 2010; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410 terminates upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709; and pursuant to sec. 10, Ch. 6, Sp. L. May 2007, the inclusion of section 2, Chapter 6, Special Laws of May 2007, terminates July 1, 2008.)"

**Section 3. Fund transfer.** The amount of \$40 million is transferred from the state general fund to the fire suppression account established in [section 1].

**Section 4. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 76, chapter 13, and the provisions of Title 76, chapter 13, apply to [section 1].

**Section 5. Effective date.** (1) Except as provided in subsection (2), [this act] is effective on passage and approval.

(2) [Section 2] is effective July 1, 2008.

**Section 6. Termination.** [This act] terminates June 30, 2009.

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